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Sustainable Production Energy Trust

Equal Weight Plus Fund

CGF Resource 2006 Flow-Through Limited Partnership

Financial Preferred Securities Corporation

CGF Resource 2006 Flow-Through Limited Partnership

ANNUAL REPORT 2007

CGF Resource 2006 Flow-Through Limited Partnership

CGF Resource 2006 Flow-Through Limited Partnership (the "Partnership" or "CGF Resource") was formed on March 30, 2006 pursuant to a Partnership Agreement. Upon completion of its first and second closings on May 31, 2006 and June 28, 2006, CGF Resource raised $14.4 million on the issuance of 577,445 units at a price of $25.00 per unit. The investment objective of the Partnership is to provide limited partners with a tax-assisted investment in a diversified portfolio of equity securities of resource companies with a view to earning income and achieving capital appreciation.

In order to provide limited partners with liquidity and the potential for long-term growth of capital and for income, on or before September 30, 2009, the General Partner expects to implement a liquidity alternative that will involve an exchange in which the Partnership will transfer its assets to a mutual fund, on a tax deferred basis, in exchange for redeemable shares of the mutual fund. The shares of the mutual fund will subsequently be distributed to the limited partners, pro rata, on a tax deferred basis upon the dissolution of the Partnership.

Management Report of Fund Performance

(March 20, 2008)

This annual report for the year ended December 31, 2007 and for the period from commencement of operations on May 31, 2006 to December 31, 2006 includes both the management report of fund performance, containing financial highlights, and the audited annual financial statements of CGF Resource 2006 Flow-Through Limited Partnership.

Unitholders may contact us by calling toll-free 1-877-261-9674 or by visiting our website at www.citadelfunds.com to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure or quarterly portfolio disclosure.

INVESTMENT OBJECTIVES AND STRATEGIES

The investment objective of the Partnership is to provide limited partners with a tax-assisted investment in a diversified portfolio of equity securities of resource companies with a view to earning income and achieving capital appreciation.

The Partnership's investment strategy was to invest in Flow-Through Shares of resource companies engaged primarily in oil and gas, including renewable or alternative energy, mining exploration, development and/or production or certain energy production that may incur Canadian Renewable and Conservation Expense ("CRCE") that (a) have experienced management; (b) have a strong exploration program in place; (c) may require time to mature; and (d) offer the potential for future growth. The Investment Manager on behalf of the General Partner obtained for Limited Partners the applicable income tax deductions associated with Flow-Through Shares by causing the Partnership to enter into Share Purchase Agreements with resource companies pursuant to which each resource company incurred Canadian Exploration Expense ("CEE") prior to December 31, 2007. By investing in a number of resource companies, it was intended that the Partnership benefit from the reduced risks associated with portfolio diversification. The focus of the Partnership's investment portfolio was on resource companies in the oil and gas sector. Investments were also made to a lesser extent in Flow-Through Shares and other securities of resource companies in the mining and alternative energy sectors.

RISK

There are a number of risks associated with an investment in CGF Resource 2006 Flow-Through Limited Partnership. Most of the Partnership's assets were invested in common shares and other equity securities. The Partnership is therefore subject to stock market risk. The Partnership also invested in relatively illiquid securities that may expose the Partnership to liquidity risk. The Partnership is also exposed to sector risk due to its investments being concentrated in a limited number of sectors.

The Partnership has multiple risks associated with equity markets. Investors whose primary concern is preservation of capital should not be invested in this Partnership. The Partnership is suitable only for investors seeking long-term growth with a high tolerance for risk and volatility and a long-term investment horizon.

RESULTS OF OPERATIONS

With the Partnership's portfolio bias towards energy investments, the weakness in the energy sector has weighed heavily on the portfolio valuations. Despite record high oil prices in 2007, energy investments were hampered by the rising $Cdn and escalating costs as well as soft natural gas prices and the prospect of Alberta royalty rate increases. In addition, confirmation of the new tax on trust distributions commencing in 2011 has removed any potential upside upon conversion to a trust.

As a result of these negative market conditions, the Partnership's net assets declined by $2.1 million, from $11.3 million at December 31, 2006 to $9.2 million at December 31, 2007 as portfolio valuations depreciated over the year. On a per unit basis, the Partnership's net assets declined from $19.57 per unit at December 31, 2006 to $15.95 per unit at the end of 2007.

Revenue of $28,634 in 2007 was derived from distribution income from oil and gas trusts in the Fund's portfolio as well as some interest income on surplus cash balances throughout the year. By comparison, revenue of $134,130 in the prior year was primarily derived from interest income on cash proceeds from the Partnership's initial public offering. Administrative and investment manager fees, which are calculated in reference to the Partnership's net asset value, totaled $0.23 million for 2007 compared to $0.15 million in 2006. The higher expense is attributable to the full year of operation in 2007 compared to a shorter fiscal period from May 31, 2006 to December 31, 2006. General and administration costs, including portfolio transaction costs and other expenses, totaled $0.07 million over the year compared to $0.06 million in the prior period. In December 2007, the Partnership repaid a portion of its loan which reduced the total outstanding to $1.0 million with interest expense over the period of $0.08 million. At December 31, 2006, the Partnership's loan balance was $1.3 million with interest expense over the period of $0.02 million. After total expenses of $0.38 million, the Partnership generated a net investment loss of $0.35 million or negative $0.61 per unit for 2007 compared to negative $0.08 million or negative $0.14 per unit in 2006. With a net realized loss of $1.0 million and net unrealized loss of $0.5 million, total results of operations were negative $1.8 million or negative $3.17 per unit in 2007 compared to negative $1.8 million or negative $3.18 per unit in 2006.

CGF Resource uses leverage as part of its investment strategy. The Partnership maintains a non-revolving term credit facility with a maximum of $1.5 million. The facility bears interest at either the bank's prime rate. During 2007, the maximum borrowings were $1.3 million, while the minimum amount drawn was $1.0 million. As at December 31, 2007, the Partnership had total borrowings of $1.0 million which represented 10.9% of net assets.

RECENT DEVELOPMENTS

Investment Fund Governance Legislation

During 2006, Canadian securities regulators passed legislation requiring independent oversight over the management of Canadian investment funds. National Instrument 81-107 - Independent Review Committee for Investment Funds ("NI 81-107") came into effect on November 1, 2006. CGF Resource's three person Independent Review Committee ("IRC") was formed on April 1, 2007 and became fully operational on November 1, 2007. The main responsibility of the IRC is to govern over perceived conflicts of interest between investment funds, their managers

and related third parties. Policies and procedures were adopted on November 1, 2007 and the Partnership was in full compliance with NI 81-107 at that time.

New Accounting Standards

The Canadian Institute of Chartered Accountants issued Section 3855 "Financial Instruments – Recognition and Measurement", Section 3861 "Financial Instruments - Disclosure and Presentation", Section 3865 "Hedges" and Section 1530 "Comprehensive Income" which became effective for financial statements relating to fiscal years beginning on or after October 1, 2006. These sections prescribe the criteria for recognition and presentation of financial instruments on the statement of net assets and the measurement of financial instruments according to prescribed classifications. These sections also address how financial instruments are measured subsequent to initial recognition and how the gains and losses are recognized. The Partnership is required to designate its financial instruments into one of the following five categories: (i) held for trading, (ii) available for sale, (iii) held to maturity, (iv) loans and receivables, or (v) other financial liabilities.

Section 3855 further establishes a standard for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 requires that the fair value of financial instruments which are traded in active markets be measured based on the bid price for long securities and the ask price for short securities. Prior to the implementation of this new standard, the fair value of financial instruments traded in an active market was generally based on the closing price for the day. Section 3855 also requires that portfolio transaction costs incurred in the purchase and sale of investments be charged to net income in the period incurred. Prior to this new standard these costs were added to the cost of the investments purchased or deducted from the proceeds of sale. Section 3855 has been applied prospectively without restatement of prior periods. An adjustment has been made to the opening net assets in the Statement of Changes in Net Assets in order to reflect the effect on investments held at December 31, 2006, of following section 3855 with respect to recording the fair value of investments at bid prices.

All financial instruments are to be initially measured at fair value. Financial instruments classified as held for trading or available for sale are subsequently measured at fair value with any change in fair value recorded in net income and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost. All derivative financial instruments, including derivative features embedded in financial instruments or other contracts which are not considered closely related to the host financial instrument or contract, are generally classified as held for trading and therefore must be measured at fair value with changes in fair value recorded in net income. However, if a derivative financial instrument is designated as a hedging item in a qualifying cash flow hedging relationship, the effective portion of changes in fair value is recorded in other comprehensive income. Any change in fair value relating to the ineffective portion is recorded immediately in net income. Upon adoption on January 1, 2007, the Partnership was not party to any derivative contracts. Portfolio investments and loan payable were classified as held for trading and all other financial assets were classified as loans or receivables and are accounted for on an amortized cost basis. All remaining financial liabilities were classified as other financial liabilities.

As outlined in National Instrument 81-106 Section 14.2, the net asset value ("NAV") of an investment fund is to be calculated in accordance with Canadian GAAP. The Canadian Securities Administrators ("CSA") granted temporary relief to investment funds from complying with Section 3855 for the purpose of calculating and reporting of NAV (other than for financial reporting purposes) to permit review of the suitability of these financial reporting requirements for purposes other than the financial statements. This relief period has been extended until September 30, 2008. The CSA has proposed amendments to NI 81-106 that will permit funds to have two different net asset values; one for financial statements which will be prepared in accordance with Canadian GAAP (referred to as "net assets" or "net assets per unit"); and another for all other purposes (referred to as "net asset value" or "net asset value per unit"). Until that time, the Partnership intends to calculate NAV under the old method, specifically using closing rather than bid prices, for all purposes other than financial statements. This Management Report of Fund Performance has been prepared based on the proposed amendments and the December 31, 2007 annual financial statements have been presented in accordance with the new accounting rules.

Section 1530, "Comprehensive Income", introduces a new financial statement "Statement of Comprehensive Income" and provides guidance for the reporting and display of other comprehensive income. Comprehensive income represents the change in equity of an enterprise during a period from transactions and other events arising from non-owner sources including changes in the fair value of the effective portion of cash flow hedging instruments. As required, prior periods have not been restated as a result of implementing Section 1530.

Future Accounting Pronouncements

The CICA issued three new accounting standards in 2007, section 1535, "Capital Disclosures", section 3862, "Financial Instruments – Disclosures", and section 3863, "Financial Instruments – Presentation". These standards become effective for the Fund in 2008. These new sections will place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the Partnership manages those risks.

Section 1535 establishes disclosure requirements about an entity's capital and how it is managed. The purpose of this section will be to allow users of the financial statements to evaluate the entity's objectives, policies and processes for managing capital.

Sections 3862 and 3863 will replace section 3861, "Financial Instruments – Disclosure and Presentation", which will revise and enhance the disclosure requirements and will carry forward unchanged its presentation requirements.

FORWARD LOOKING STATEMENTS

This document contains certain forward looking statements that involve substantial known and unknown risks and uncertainties, some of which are beyond our control, including the impact of general economic conditions in Canada and the United States, industry conditions, changes in laws and regulations, including the Canadian Income Tax Act, fluctuations in interest rates, commodity prices, foreign exchange rates and stock market volatility. Our actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurances can be given that any of these events anticipated by the forward looking statements will transpire or occur, or if any of them do, what benefits, including the amount of proceeds, that we will derive therefrom. The forward looking statements contained in this annual report are expressly qualified by this cautionary statement. Except as may be required by applicable securities law, we undertake no obligation to publicly update or revise any forward looking statements.

RELATED PARTY TRANSACTIONS

The General Partner of the Partnership is CGF 2006 FT Management Ltd and the initial Limited Partner is 899259 Alberta Ltd. CGF Resource FT Funds Management Ltd. is the administrator of the Partnership, which is a member of the Citadel Group of Funds. CIFSG Funds Inc. provides administrative services to the administrators of the Citadel Group of Funds on a cost recovery basis. All Fund or Partnership non-specific costs are allocated among the Citadel Group of Funds on a relative net asset value basis.

Pursuant to the administrative services agreement, total annual administrative and investment management fees are based upon 2.0% of the aggregate average weekly net asset value of the Partnership, payable in cash monthly in arrears. The administrator is also reimbursed for all general and administrative expenses that relate to the operation of the Partnership.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Partnership and are intended to help the reader understand the Partnership's financial performance. This information is derived from the Partnership's audited financial statements for the each year since inception to December 31, 2007.

Net Assets per Unit ("NAPU")

	2007	2006
NAPU, beginning of period	**$ 19.57**	$ 22.87[1]
Increase (decrease) from operations:		
Total revenue	**0.05**	0.24
Total expenses	**(0.66)**	(0.38)
Realized gains (losses)	**(1.76)**	(0.10)
Unrealized gains (losses)	**(0.80)**	(2.94)
Total increase (decrease) from operations	**(3.17)**	(3.18)
NAPU, end of period	**$ 15.95**	$ 19.57

[1] The Partnership commenced operations on May 31, 2006.

NAPU is based on the actual number of units outstanding at the time. The December 31, 2007 NAPU per unit is based on bid prices and all prior NAPU are based on closing prices. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This schedule is not a reconciliation of NAPU since it does not reflect unitholder transactions as shown on the Statement of Changes in Net Assets and accordingly columns may not add.

Ratios and Supplemental Data

	2007	2006
Net assets ($ 000's)	**$ 9,211**	$ 11,299
Number of units outstanding	**577,445**	577,445
Management expense ratio	**3.42%**	3.02%
Portfolio turnover ratio	**3.76%**	0.63%
Trading expense ratio	**0.04%**	–

Management expense ratio is based on total expenses (excluding portfolio transaction costs) for the period and is expressed as an annualized percentage of weekly average net assets during the period.

Portfolio turnover ratio is based on the lesser of cost of purchases or proceeds of disposition and is expressed as a percentage of the monthly average portfolio value. The portfolio turnover rate indicates how actively a fund's investment manager manages the portfolio investments. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of weekly average net assets during the period.

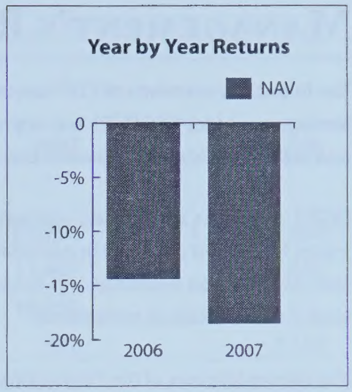
MANAGEMENT FEES

Pursuant to the administrative services agreement, total annual administrative and investment management fees are based upon 2.0% of the aggregate average weekly net asset value of the Partnership, payable in cash monthly in arrears. Galileo Equity Management Inc., as investment manager to the Partnership, provides investment advice to the Partnership in exchange for a portion of the management fee. These fees represent payment for the administrative and investment management provided to the Partnership.

PAST PERFORMANCE

The Partnership's performance number represents the compound total return over the period from commencement of operations on May 31, 2006 to December 31, 2007 based on the Partnership's change in net assets.

The return does not take into account sales, redemptions or income taxes payable that would have reduced returns. Past performance of the Partnership does not necessarily indicate how it will perform in the future.



COMPOUND RETURN

In the table below is the annual compound return for CGF Resource based on net assets for the periods indicated to December 31, 2007.

-	**1 Year**	Since inception
CGF Resources (net assets)	**(18.49%)**	(20.25%)

SUMMARY OF INVESTMENT PORTFOLIO

As at December 31, 2007

Net Assets: $9,211,144

Portfolio by Sector	% of Net Assets
Oil & Gas Corporations	**95.3%**
Metal & Minerals	**15.3%**
Cash and Term Deposits	**0.1%**
Liabilities, net of other assets	**(10.7%)**
Total Net Assets	**100.0%**

TOP 25 HOLDINGS (as a % of net assets)

Naikun Wind Energy Group Inc.	28.8%	Dokie Wind Energy Corp.	2.2%
Naikun Wind Energy Group Inc. warrants	12.1%	West Energy Ltd.	2.0%
Birchcliff Energy Ltd.	6.7%	RSX ENERGY INC.	2.0%
Western Uranium Corp.	6.7%	OPTI Canada Inc.	1.9%
Burmis Energy Inc.	6.3%	Duvernay Oil Corp.	1.6%
Galleon Energy Inc.	5.8%	Prospex Resources Ltd.	1.6%
Selwyn Resources Ltd.	4.1%	Cyries Energy Inc.	1.5%
Titan Uranium Inc.	3.5%	Cordero Energy Inc.	1.4%
Peerless Energy Inc.	3.0%	SNL Enterprises Ltd.	1.4%
TriStar Oil & Gas Ltd.	2.7%	Mirimar Mining Corp.	1.4%
Crew Energy Inc.	2.4%	Orleans Energy Ltd.	1.2%
Celtic Exploration Ltd.	2.3%	Berens Energy Ltd.	1.0%
Marathon PGM Corp.	2.3%		

The summary of investment portfolio may change due to ongoing portfolio transactions. Quarterly updates are available at www.citadelfunds.com.

Management's Responsibility Statement

The financial statements of CGF Resource 2006 Flow-through Limited Partnership have been prepared by CGF Resource FT Funds Management Ltd. ("CGFFT") and approved by the General Partner of the Partnership. CGFFT is responsible for the information and representations contained in these financial statements and the other sections of the annual report.

CGFFT maintains appropriate procedures to ensure that relevant and reliable financial information is produced. These statements have been prepared in accordance with accounting principles generally accepted in Canada and include certain amounts that are based on estimates and judgments. The significant accounting policies applicable to the Partnership are described in Note 2 to the financial statements.

The General Partner of the Partnership is responsible for ensuring that management fulfills its responsibilities for financial reporting and has reviewed and approved these financial statements. The General Partner carries out this responsibility through the Audit Committee, which is comprised of the independent directors of the General Partner.

The Audit Committee on behalf of CGFFT and its General Partner has appointed the external audit firm of PricewaterhouseCoopers LLP. They have audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to unitholders their opinion on the financial statements. The auditors have full and unrestricted access to the Audit Committee to discuss their findings.

James T. Bruvall
Chief Executive Officer
CGF 2006 FT Management Ltd.
March 20, 2008

Darren K. Duncan
Chief Financial Officer
CGF 2006 FT Management Ltd.

Auditors' Report to Unitholders

To the Unitholders of CGF Resource 2006 Flow-through Limited Partnership

We have audited the statements of net assets and investments of CGF Resource 2006 Flow-through Limited Partnership as at December 31, 2007 and 2006 and the statements of operations and comprehensive income, changes in net assets and cash flows for the year ended December 31, 2007 and for the period from March 30, 2006, date of inception of the Partnership, to December 31, 2006. These financial statements are the responsibility of management of the Partnership's Administrator. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the net assets and investments of the Partnership as at December 31, 2007 and 2006 and the results of its operations, the changes in its net assets and cash flows for the year ended December 31, 2007 and for the period from March 30, 2006, the date of inception of the Partnership, to December 31, 2006 in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP
Chartered Accountants
Calgary, Alberta
March 20, 2008

Statement of Net Assets

As at December 31	2007	2006
Assets		
Investments, at market	$ 10,188,554	$ 12,653,542
Cash and term deposits	11,987	210,636
Accounts receivable	10,252	–
Revenue receivable	351	2,124
	10,211,144	12,866,302
Liabilities		
Accounts payable and accrued liabilities	–	266,886
Loan payable (note 5)	1,000,000	1,300,000
	1,000,000	1,566,886
Net Assets representing Limited Partners' Equity	$ 9,211,144	$ 11,299,416
Units outstanding (note 3)	577,445	577,445
Net Assets per unit	$ 15.95	$ 19.57

see accompanying notes

Signed on behalf of the Board,

Harold P. Milavsky
Chairman of the Board

James T. Bruvall
Director and Chief Executive Officer

Statement of Operations & Comprehensive Income

	For the year ended December 31,2007	For the period from March 30, 2006 to December 31, 2006
Revenue		
Distribution income	$ 26,300	$ –
Interest income	2,334	134,130
	28,634	134,130
Expenses		
Administrative and investment manager fees (note 4)	232,309	146,821
Loan interest	77,991	17,185
Legal fees	21,455	14,090
Audit fees	20,104	14,066
General and administration costs	10,340	3,262
Trustee fees	8,719	5,143
Portfolio transaction costs	4,871	–
Custodial fees	3,001	3,918
Reporting costs	1,532	6,577
	380,322	211,062
Net investment income (loss)	(351,688)	(76,932)
Net realized gain (loss) on sale of investments	(1,015,771)	(55,863)
Net change in unrealized gain (loss) on investments	(461,382)	(1,648,090)
Total results of operations and comprehensive income	$ (1,828,841)	$ (1,780,885)
Results of operations per unit [1]		
Net investment income (loss)	$ (0.61)	$ (0.14)
Net realized gain (loss) on sale of investments	(1.76)	(0.10)
Net change in unrealized gain (loss) on investments	(0.80)	(2.94)
	$ (3.17)	$ (3.18)

[1] Based on the weighted average number of partnership units outstanding.

see accompanying notes

Statement of Changes in Net Assets

	For the year ended December 31, 2007	For the period from March 30, 2006 to December 31, 2006
Net Assets – beginning of period	$ 11,299,416	$ –
Fair Value Adjustment: (note 2)		
Adjust January 1, 2007 to bid prices	(252,020)	–
Operations:		
Net investment income (loss)	(351,688)	(76,932)
Net realized gain (loss) on sale of investments	(1,015,771)	(55,863)
Net change in unrealized gain (loss) on investments	(461,382)	(1,648,090)
	(1,828,841)	(1,780,885)
Unitholder Transactions: (note 3)		
Issuance of partnership units, net	(7,411)	13,080,301
Net Assets – end of period	$ 9,211,144	$ 11,299,416

see accompanying notes

Statement of Cash Flows

	For the year ended December 31, 2007	For the period from March 30, 2006 to December 31, 2006
Cash flows from operating activities:		
Net investment income (loss)	$ (351,688)	$ (76,932)
Net change in non-cash working capital	(275,366)	264,762
Purchase of investments	(460,200)	(14,437,910)
Proceeds from sale of investments	1,196,016	80,415
	108,762	(14,169,665)
Cash flows from financing activities:		
Proceeds from issuance of partnership units, net	(7,411)	13,080,301
Increase (decrease) in loan payable	(300,000)	1,300,000
	(307,411)	14,380,301
Net increase (decrease) in cash and term deposits	(198,649)	210,636
Cash and term deposits, beginning of period	210,636	–
Cash and term deposits, end of period	$ 11,987	$ 210,636
Supplementary Information		
Interest paid	$ 77,991	$ 17,185

see accompanying notes

Statement of Investments

	December 31, 2007				December 31, 2006			
	Number of Units Held	Cost	Market Value	% of Market	*Number of Units Held*	Cost	Market Value	% of Market
Energy Common Shares								
Alberta Clipper Energy Inc.	*20,000*	$ 103,000	$ 38,600		*20,000*	$ 103,000	$ 120,600	
Berens Energy Ltd.	*150,000*	273,000	93,000		*150,000*	273,000	163,500	
Birchcliff Energy Ltd.	*85,000*	497,250	621,350		*85,000*	497,250	347,650	
Burmis Energy Inc.	*342,000*	1,282,500	584,820		*342,000*	1,282,500	872,100	
Celtic Exploration Ltd.	*20,000*	345,000	216,400		*20,000*	345,000	278,200	
Churchill Energy Inc.	*160,000*	200,000	43,200		*160,000*	200,000	142,400	
Cordero Energy Inc.	*40,000*	352,000	130,400		*40,000*	352,000	273,200	
Cork Exploration Inc.	–	–	–		*90,000*	405,000	337,500	
Crew Energy Inc.	*30,400*	600,400	220,096		*30,400*	600,400	373,920	
Cyries Energy Inc.	*20,700*	271,170	139,518		*20,700*	271,170	262,062	
Delphi Energy Corp.	–	–	–		*17,800*	85,440	44,144	
Earthfirst Canada Inc. (formerly Dokie Wind)	*114,000*	250,800	200,640		*114,000*	250,800	250,800	
Duvernay Oil Corp.	*5,000*	218,750	144,900		*5,000*	218,750	172,650	
Exalta Energy Inc.	*40,000*	280,000	70,000		*40,000*	280,000	146,000	
Fairquest Energy Ltd.	–	–	–		*125,000*	618,750	400,000	
Flagship Energy Inc.	–	–	–		*50,000*	345,000	232,500	
Galleon Energy Inc.	*35,000*	878,500	538,300		*35,000*	878,500	632,800	
Grand Banks Energy Corp.	–	–	–		*100,000*	210,000	150,000	
Greyhawke Resources Ltd. (1)	*260,000*	650,000	49,400		*260,000*	650,000	650,000	
Naikun Wind Energy Group Inc.	*800,000*	400,000	2,656,000		*800,000*	400,000	496,000	
Naikun Wind Energy Group Inc. - warrants	*400,000*	–	1,116,000		–	–	–	
Opti Canada Inc.	*10,500*	239,400	174,300		*10,500*	239,400	207,690	
Orleans Energy Ltd.	*50,000*	287,500	110,500		*50,000*	287,500	172,500	
Peerless Energy Inc.	*50,000*	210,000	279,500		*50,000*	210,000	202,500	
Pegasus Oil & Gas Ltd. – Class A	*40,000*	76,227	72,800		*40,000*	76,227	112,000	
Pegasus Oil & Gas Ltd. – Class B	*9,200*	23,773	37,352		*9,200*	23,773	46,000	
Profound Energy Inc. (formerly Cork Expl)	*90,000*	405,000	62,325		–	–	–	
Prospex Resources Ltd.	*50,000*	270,000	143,000		*50,000*	270,000	222,000	
RSX Energy Inc.	*120,000*	486,000	181,200		*120,000*	486,000	432,000	
Real Resources Inc.	–	–	–		*20,000*	510,000	334,000	
Savant Explorations Ltd.	*155,746*	51,709	41,273		–	–	–	
Selwyn Resources Ltd.	*1,437,000*	954,191	380,805		–	–	–	
TriStar Oil and Gas Ltd.	*20,000*	510,000	250,400		–	–	–	
West Energy Ltd.	*80,000*	580,000	183,200		*80,000*	580,000	433,600	
		10,696,170	8,779,279	86.1%		10,949,460	8,508,316	66.2%
Metal & Minerals Common Shares								
Kenrich-Eskay Mining Corp.	–	–	–		*219,600*	372,222	232,776	
Kenrich-Eskay Mining Corp. – warrants	*150,000*	1,500	–		*150,000*	1,500	1,500	
Marathon PGM Corp.	*56,000*	235,200	215,600		*56,000*	235,200	232,960	
Miramar Mining Corp.	*20,000*	104,000	124,600		*20,000*	104,000	106,200	
Pacifica Resources Ltd.	–	–	–		*1,437,000*	1,005,900	1,293,300	
SNL Enterprises Ltd.	*280,000*	308,000	126,000		*280,000*	308,000	280,000	
Titan Uranium Inc.	*463,250*	880,175	324,275		*526,500*	1,000,350	1,400,490	
Titan Uranium Inc. - warrants	*263,250*	–	–		–	–	–	
Western Uranium Corp.	*260,000*	325,000	618,800		*260,000*	325,000	598,000	
		1,853,875	1,409,275	13.9%		3,352,172	4,145,226	32.2%
Investments		12,550,045	10,188,554	99.9%		14,301,632	12,653,542	98.4%
Cash and Term Deposits		11,987	11,987	0.1%		210,636	210,636	1.6%
Total		$ 12,562,032	$ 10,200,541	100.0%		$ 14,512,268	$ 12,864,178	100.0%

All of the oil & gas corporations and other resource corporations are common shares, except the warrants as so denoted.

(1) Private companies.

Notes to Financial Statements

December 31, 2007 and 2006

1. STRUCTURE OF THE PARTNERSHIP

CGF Resources 2006 Flow-Through Limited Partnership (the "Partnership" or "CGF Resources") is a limited partnership established under the laws of Alberta pursuant to a Partnership Agreement dated as of March 30, 2006. The Partnership commenced operations on May 31, 2006, when it completed its initial public offering. The Partnership has a termination date of December 31, 2008 but may be dissolved earlier by approval of the general partner.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements, prepared in accordance with Canadian generally accepted accounting principles, include estimates and assumptions by management that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the period. Actual results may differ from these estimates. The following is a summary of the significant accounting policies.

(a) Cash and term deposits

Cash consists of cash on hand and short term bankers' acceptances with maturities of less than 90 days on acquisition.

(b) Valuation of investments

Investments are valued at fair value. The fair value of securities which are actively traded are valued at bid price as published on the recognized stock exchange on which the investment is listed or principally traded. Private companies have been valued at their approximate fair value. Prior to January 1, 2007, investments were generally valued at the closing price. The fair value adjustment from the closing price as at December 31, 2006, to the closing bid price for investments at December 31, 2007, is reflected in the Statement of Changes in Net Assets. Investments not traded on the valuation date are valued at the average of the closing bid and ask prices. Average cost is used to compute realized and unrealized gains or losses on investments. Investment transactions are recorded on the trade date.

(c) Canadian income taxes

Net income or loss for income tax purposes of the Partnership, including capital gains and losses and resource tax deductions, are allocated to the partners on a pro-rata basis for partners of record on December 31 subject to "at-risk" rules contained in the Canadian Federal Income Tax Act.

(d) Investment income

Dividend income is recorded on the ex-dividend date, interest is recognized as earned and distribution income is recognized on the ex-distribution date. Capital gains and losses are recognized on the trade date.

(e) New Accounting Standards

The Canadian Institute of Chartered Accountants issued Section 3855 "Financial Instruments – Recognition and Measurement", Section 3861 "Financial Instruments - Disclosure and Presentation", Section 3865 "Hedges" and Section 1530 "Comprehensive Income" which became effective for financial statements relating to fiscal years beginning on or after October 1, 2006. These sections prescribe the criteria for recognition and presentation of financial instruments on the statement of net assets and the measurement of financial instruments according to prescribed classifications. These sections also address how financial instruments are measured subsequent to initial recognition and how the gains and losses are recognized. The Partnership is required to designate its financial instruments into one of the following five categories: (i) held for trading, (ii) available for sale, (iii) held to maturity, (iv) loans and receivables, or (v) other financial liabilities.

Section 3855 further establishes a standard for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 requires that the fair value of financial instruments which are traded in active markets be measured based on the bid price for long securities and the ask price for short securities. Prior to the implementation of this new standard, the fair value of financial instruments traded in an active market was generally based on closing price for the day. Section 3855 also requires that portfolio transaction costs incurred in the purchase and sale of investments be charged to net income in the period incurred. Prior to this new standard these costs were added to the cost of the investments purchased or deducted from the proceeds of sale. Section 3855 has been applied prospectively without restatement

of prior periods. An adjustment has been made to the opening net assets in the Statement of Changes in Net Assets in order to reflect the effect on investments held at December 31, 2006, of following section 3855 with respect to recording the fair value of investments at bid prices.

All financial instruments are to be initially measured at fair value. Financial instruments classified as held for trading or available for sale are subsequently measured at fair value with any change in fair value recorded in net income and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost. All derivative financial instruments, including derivative features embedded in financial instruments or other contracts which are not considered closely related to the host financial instrument or contract, are generally classified as held for trading and therefore must be measured at fair value with changes in fair value recorded in net income. However, if a derivative financial instrument is designated as a hedging item in a qualifying cash flow hedging relationship, the effective portion of changes in fair value is recorded in other comprehensive income. Any change in fair value relating to the ineffective portion is recorded immediately in net income. Upon adoption on January 1, 2007, the Partnership was not party to any derivative contracts. Portfolio investments and loan payable were classified as held for trading and all other financial assets were classified as loans or receivables and are accounted for on an amortized cost basis. All remaining financial liabilities were classified as other financial liabilities.

Section 1530, "Comprehensive Income", introduces a new financial statement "Statement of Comprehensive Income" and provides guidance for the reporting and display of other comprehensive income. Comprehensive income represents the change in equity of an enterprise during a period from transactions and other events arising from non-owner sources including changes in the fair value of the effective portion of cash flow hedging instruments. As required, prior periods have not been restated as a result of implementing Section 1530.

The fair values of the Partnership's financial instruments which are comprised of cash and term deposits, accounts receivable, revenue receivable, investments, accounts payable and accrued liabilities and loan payable approximate their carrying amount due to the short-term maturity of these instruments.

(f) Future Accounting Pronouncements

The CICA issued three new accounting standards in 2007, section 1535, "Capital Disclosures", section 3862, "Financial Instruments – Disclosures", and section 3863, "Financial Instruments – Presentation". These standards become effective for the Fund in 2008. These new sections will place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the Partnership manages those risks.

Section 1535 establishes disclosure requirements about an entity's capital and how it is managed. The purpose of this section will be to allow users of the financial statements to evaluate the entity's objectives, policies and processes for managing capital.

Sections 3862 and 3863 will replace section 3861, "Financial Instruments – Disclosure and Presentation", which will revise and enhance the disclosure requirements and will carry forward unchanged its presentation requirements.

3. PARTNERS' CONTRIBUTION

Authorized

The authorized capital of the Partnership consists of an unlimited number of transferable partnership units.

	December 31, 2007		December 31, 2006	
Issued and outstanding	**Number**	**Amount**	Number	Amount
Partnership units – beginning of period	**577,445**	**$ 13,080,301**	–	$ –
Issued for cash:				
Initial public offering	–		577,445	14,436,125
Agents' fees and issue costs	–	**(7,411)**	–	(1,355,824)
Partnership units – end of period	**577,445**	**$ 13,072,890**	577,445	$ 13,080,301

The weighted average number of units outstanding for the year ended December 31, 2007 was 577,445 units (2006 – 561,287 units).

In order to provide limited Partners with liquidity and the potential for long-term growth of capital and for income, on or before September 30, 2009, the General Partner expects to implement a liquidity alternative that will involve an exchange in which the Partnership will transfer its assets to a mutual fund, on a tax deferred basis, in exchange for redeemable shares of the mutual fund. The shares of the mutual fund will subsequently be distributed to the limited partners, pro rata, on a tax deferred basis upon the dissolution of the Partnership.

4. ADMINISTRATIVE AND INVESTMENT MANAGER FEES

CGF Resource FT Funds Management Ltd. ("CGFFT") is the administrator of the Partnership and therefore a related party to the Partnership. Galileo Equity Management Ltd. is the investment manager of the Partnership. Pursuant to the administrative services agreement, total annual administrative and investment management fees are based upon 2% of the aggregate average weekly net asset value of the Partnership, payable in cash monthly in arrears. For the year ended December 31, 2007, the Partnership recorded an expense of $232,309 (2006 - $146,821) in respect of the administrative and investment management fees earned during the period. The administrative services agreement also provides for the reimbursement of certain expenses incurred by the administrator during the performance of its duties. As at December 31, 2007, included in accounts receivable were amounts owed from CGFFT of $10,252 (2006 - $266,886 included in accounts payable).

5. LOAN FACILITY

The Partnership has negotiated a non-revolving term credit facility with a Canadian chartered bank for up to a maximum amount of $1.5 million. At December 31, 2007, the Partnership had $1.0 million (2006 - $1.3 million) drawn on the facility. The term facility is due and payable on the earlier of December 31, 2008 or dissolution of the Partnership. Borrowings are collateralized by a general security agreement which provides a first floating charge over the Partnership's assets. The facility bears interest at the bank's prime rate. The maximum and minimum borrowings in 2007 were $1.3 million and $1.0 million respectively.

6. INVESTMENTS

The net realized gain (loss) on the sale of investments was determined as follows:

	December 31, 2007	For the period from March 30, 2006 to December 31, 2006
Proceeds from the sale of securities	$ 1,196,016	$ 80,415
Less cost of securities sold:		
Investments at cost – beginning of period	14,301,632	–
Investments purchased during period	460,200	14,437,910
Investments at cost – end of period	(12,550,045)	(14,301,632)
Cost of investments disposed of during period	2,211,787	136,278
Net realized gain (loss) on sale of investments	$ (1,015,771)	$ (55,863)

7. PORTFOLIO TRANSACTION COSTS

For the year ended December 31, 2007, the Partnership incurred portfolio transaction costs of $4,871 (2006 - nil) and they are recorded separately in the Statement of Operations for 2007 only, as per Note 2(e).

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Corporate Information

ADMINISTRATORS
Citadel Diversified Management Ltd.
Citadel S1 Management Ltd.
Citadel TEF Management Ltd.
Citadel CPRT Management Ltd.
Citadel Series Management Ltd.
Equity Lift Management Ltd.
N.A. Energy Management Inc.
Stable Yield Management Inc.
Sustainable PE Management Inc.
Equal Weight Management Ltd.
CGF Funds Management Ltd.
CGF Resource FT Funds Management Ltd.
Suite 3500, 350 - 7th Avenue S.W.
Calgary, Alberta T2P 3N9
Telephone: (403) 261-9674
Toll Free: 1 877 261-9674
Fax: (403) 261-8670
Website: www.citadelfunds.com
Email: info@citadelfunds.com

INVESTMENT MANAGER
(CTD.un, SDL.un, CHF.un, CRT.un, SRC.un and CSR.un)
Bloom Investment Counsel, Inc.
Suite 1710, 150 York Street
Toronto, Ontario M5H 3S5

INVESTMENT MANAGER
(EPF.un, SPU.un and CGF Resource 2006)
Galileo Equity Management Inc.
161 Bay Street, Suite 4730
Toronto, Ontario M5J 2S1

INVESTMENT MANAGER
(CPF.un)
Fiera YMG Capital Inc.
1501 McGill College Avenue, Suite 900
Montreal, Quebec H3A 3M8

REBALANCING ADVISOR
(IEP.un, EQW.un and FPR.pr.a)
Shaunessy Investment Counsel Inc.
Suite 504, 933-17th Avenue S.W.
Calgary, Alberta T2T 5R6

INDEPENDENT REVIEW COMMITTEE
Stephen Allan - Chairman
John Watson
Duane Keinick

DIRECTORS AND OFFICERS
Harold P. Milavsky - Chairman of the Board
Micheline Bouchard - Director
Doug D. Baldwin - Director
Kent J. MacIntyre - Director
James T. Bruvall - Director and Chief Executive Officer
Darren K. Duncan - Chief Financial Officer
Joseph F. MacDonald - Executive V.P. Sales & Marketing

TRUSTEE
Computershare Trust Company of Canada
Sixth Floor
530 - 8th Avenue S.W.
Calgary, Alberta T2P 3S8

CUSTODIAN
CIBC Mellon Global Securities Services Company
320 Bay Street, 6th Floor
Toronto, Ontario M5H 4A6

LEGAL COUNSEL
Stikeman Elliott LLP
4300 Bankers Hall West
888 - 3rd Street S.W.
Calgary, Alberta T2P 5C5

AUDITORS
PricewaterhouseCoopers LLP
3100, 111 - 5th Avenue S.W.
Calgary, Alberta T2P 5L3

STOCK EXCHANGE LISTINGS
The Toronto Stock Exchange
Citadel Diversified Investment Trust units: **CTD.un**
Citadel S-1 Income Trust Fund units: **SDL.un**
Citadel HYTES Fund units: **CHF.un**
Citadel SMaRT Fund units: **CRT.un**
Citadel Premium Income Fund units: **CPF.un**
Series S-1 Income Fund units: **SRC.un**
Income & Equity Index Participation Fund units: **IEP.un**
Energy Plus Income Trust units: **EPF.un**
Citadel Stable S-1 Income Fund units: **CSR.un**
Sustainable Production Energy Trust units: **SPU.un**
Equal Weight Plus Fund units: **EQW.un**
Financial Preferred Securities Corporation shares: **FPR.pr.a**
CGF Resource 2006 Flow-Through Limited Partnership units: not listed

CITADEL
GROUP OF FUNDS™

Suite 3500, 350 - 7th Avenue S.W.
Calgary, Alberta T2P 3N9
Tel: (877) 261-9674 Fax: (403) 261-8670
Website: www.citadelfunds.com